

AMENDED IN SENATE JULY 7, 1998  
AMENDED IN SENATE JUNE 25, 1998  
AMENDED IN ASSEMBLY APRIL 2, 1998

CALIFORNIA LEGISLATURE—1997–98 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2760**

**Introduced by Committee on Agriculture (Cardoza (Chair),  
Battin, Bordonaro, Brown, Ducheny, House, Machado,  
Murray, Prenter, and Thomson)**

February 25, 1998

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An act to amend Sections 76229, 76230, 76233, 76311, and 76341 of, and to repeal and add Sections 76381 and 76382 of, the Food and Agricultural Code, relating to agriculture.

LEGISLATIVE COUNSEL'S DIGEST

AB 2760, as amended, Committee on Agriculture. California Sheep Commission.

(1) Existing law establishes the California Sheep Commission and prescribes the powers and duties of the commission, which include regulating and promoting the sheep industry in California. Existing law requires the Secretary of Food and Agriculture, not later than April 1, 1986, or as soon thereafter as possible, to establish a list of producers eligible to vote on the implementation of those provisions. In addition, under existing law, the commission is required to conduct a referendum, as specified, from July 1, 1990, to June 30, 1991, and every 5th year thereafter, among producers to

determine whether those provisions shall be continued in effect.

This bill, instead, would require the secretary to establish the list of eligible producers not later than April 1, 1999, or as soon thereafter as possible, and would require the secretary, rather than the commission, commencing with the 2004–05 marketing year, and every 5 years thereafter, to hold a hearing to determine whether the provisions shall be continued in effect. Under the bill, if the secretary determines, following the hearing, that a substantial question exists as to whether the provisions should be continued in effect, the secretary would be required to conduct a referendum among producers, as specified.

Existing law also authorizes the secretary, after a public hearing to review a petition filed with the secretary that requests a suspension of the commission's operations, as specified, to hold a referendum among producers, as specified.

This bill would require that hearing to be held pursuant to specified provisions.

(2) Existing law requires the commission, not later than June 1 of each year, to establish the assessment on wool marketed by producers. Existing law defines “marketing season,” for purposes of the law governing the commission, as the period beginning July 1 of any year and extending through the last day of June of the next year. Existing law prohibits the assessment for the marketing season beginning on July 1, 1986, and ending on June 30, 1987, from exceeding 1.5¢ per pound on all wool marketed by producers and prohibits the assessment for the marketing season beginning on July 1, 1987, and thereafter, from exceeding 4¢ per pound.

This bill, instead, would define “marketing ~~season~~—year” as the period beginning on the date the secretary certifies the favorable vote of producers pursuant to specified provisions of existing law and ending the day immediately preceding that date the following year. The bill would require the assessment for the first marketing ~~season~~—year to be 6¢ per pound on all wool marketed by producers. The bill would prohibit the assessment for the next marketing ~~season~~ year, and each marketing ~~season~~ year thereafter, from exceeding 8¢



per pound, *unless approved by producers*. The bill would prohibit the assessment rate from being increased by more than  $\frac{1}{2}$  of 1¢ ~~during the each marketing season~~ year. The bill also would prohibit a fee greater than 12¢ per pound from being charged unless that fee is approved by the Legislature by statute.

(3) Existing law defines “producer” and “wool” for purposes of the above provisions. In particular, “producer” is defined as to not include any person who markets 500 pounds or less of wool in the preceding marketing season. “Wool” is defined as the shorn or pulled fleece or fiber of sheep in the grease basis.

This bill would revise the definition of “producer” to exclude any person who markets 100 pounds or less of wool in the preceding marketing season. The bill would define “wool” as the shorn fiber of live sheep in the grease basis.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 76229 of the Food and  
2 Agricultural Code is amended to read:

3 76229. “Marketing ~~season~~ year” means the period  
4 beginning on the date that the secretary certifies the  
5 favorable vote of producers pursuant to Section 76315 and  
6 ending the day immediately preceding that date the  
7 following year.

8 SEC. 2. Section 76230 of the Food and Agricultural  
9 Code is amended to read:

10 76230. “Producer” means any person in this state who  
11 raises, breeds, grows, or feeds sheep, and markets, or  
12 causes to be marketed, the wool derived therefrom and  
13 who, upon request, provides proof of commodity sale  
14 during the preceding marketing season. “Producer” does  
15 not include any person who markets 100 pounds or less of  
16 wool in the preceding marketing season.

17 SEC. 3. Section 76233 of the Food and Agricultural  
18 Code is amended to read:

1 76233. “Wool” means the shorn fiber of live sheep in  
2 the grease basis, including wool tags in the natural state  
3 before cleaning or scouring.

4 SEC. 4. Section 76311 of the Food and Agricultural  
5 Code is amended to read:

6 76311. (a) Not later than April 1, 1999, or as soon  
7 thereafter as possible, the secretary shall establish a list of  
8 producers eligible to vote on implementation of this  
9 chapter. In establishing the list, the secretary may require  
10 that handlers, producers, and others submit the names  
11 and mailing addresses of all producers. The secretary also  
12 may require that the information provided include the  
13 quantity of wool produced by each producer or, in the  
14 alternative, may establish procedures for receiving the  
15 information at the time of the referendum vote specified  
16 in Section 76312. The request for the information shall be  
17 in writing. The information shall be filed within 30 days  
18 following receipt of the written request.

19 (b) Any producer whose name does not appear on the  
20 secretary’s list may have his or her name established on  
21 the list by filing with the secretary a signed statement,  
22 identifying himself or herself as a producer. Failure to be  
23 on the list does not exempt the producer from paying  
24 assessments.

25 (c) Prior to the certification of a favorable vote as  
26 provided in Section 76315, the secretary shall allow  
27 producers to view the list of names of producers created  
28 pursuant to subdivision (a). The list shall be viewed only  
29 at the department and shall not be photocopied.

30 SEC. 5. Section 76341 of the Food and Agricultural  
31 Code is amended to read:

32 76341. (a) The commission shall, not later than June  
33 1 of each year, establish the assessment for the following  
34 marketing ~~season~~ year.

35 (b) The assessment for the first marketing ~~season~~ year  
36 shall be six cents (\$0.06) per pound on all wool marketed  
37 by producers.

38 ~~(c) For the next marketing season, and each~~  
39 ~~marketing season thereafter, the assessment shall not~~  
40 ~~exceed eight cents (\$0.08) per pound on all wool~~

~~1 marketed by producers, as determined by the~~  
~~2 commission. The assessment rate shall not be increased~~  
~~3 by more than one-half of one cent (\$0.005) during the~~  
~~4 marketing season.~~

~~5 (d)~~

*6 (c) For the second and subsequent marketing years,*  
*7 the assessment shall not exceed eight cents (\$0.08) per*  
*8 pound on all wool marketed by producers, as determined*  
*9 by the commission, unless a greater fee is approved by*  
*10 producers pursuant to the procedures specified in Section*  
*11 76312.*

*12 (d) The assessment rate shall not be increased by more*  
*13 than one-half of one cent (\$0.005) each marketing year.*

*14 (e) A fee greater than twelve cents (\$0.12) per pound*  
*15 may not be charged unless that fee is approved by the*  
*16 Legislature by statute.*

*17 (f) Assessments provided for in this section shall be*  
*18 upon the producer. The handler shall deduct the*  
*19 assessment from amounts paid by him or her to the*  
*20 producer and shall be a trustee of those funds until they*  
*21 are paid to the commission at the time and in the manner*  
*22 prescribed by the commission.*

~~23 (e) A fee greater than the amount provided for in~~  
~~24 subdivision (e) may not be charged unless and until a~~  
~~25 greater fee is approved by producers pursuant to the~~  
~~26 procedures specified in Section 76312.~~

~~27 (f) A fee greater than twelve cents (\$0.12) per pound~~  
~~28 may not be charged unless that fee is approved by the~~  
~~29 Legislature by statute.~~

30 SEC. 6. Section 76381 of the Food and Agricultural  
31 Code is repealed.

32 SEC. 7. Section 76381 is added to the Food and  
33 Agricultural Code, to read:

34 76381. (a) Every five years, commencing with the  
35 2004-05 marketing year, the secretary shall hold a hearing  
36 to determine whether the operation of this chapter shall  
37 be continued in effect. If the secretary finds, following the  
38 hearing, that a substantial question exists among ~~handlers~~  
39 *producers* assessed under this chapter as to whether the  
40 operation of this chapter shall be continued in effect, the

1 secretary shall conduct a referendum vote as provided in  
2 Sections 76312 to 76314, inclusive.

3 (b) If the secretary finds, following the referendum  
4 vote, that a favorable vote has been given as provided in  
5 Section 76312, the secretary shall so certify and this  
6 chapter shall remain in operation. If the secretary finds  
7 that a favorable vote has not been given as provided in  
8 Section 76312, the secretary shall so certify and declare  
9 the operation of this chapter and the commission  
10 suspended upon expiration of the then current marketing  
11 year. At that time, the operations of the commission shall  
12 be concluded and funds distributed in the manner  
13 provided in Section 76383.

14 SEC. 8. Section 76382 of the Food and Agricultural  
15 Code is repealed.

16 SEC. 9. Section 76382 is added to the Food and  
17 Agricultural Code, to read:

18 76382. If a petition is filed as provided in Section  
19 76382.5, the secretary shall hold a hearing pursuant to  
20 Section 76381 prior to conducting the referendum  
21 authorized by Section 76382.5.

